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From: Huetteman, Tom
Sent: Thur 5/19/2016 8:55:38 PM
Subject: Exide History

PERMITTING REGULATORY DESCRIPTION/ HISTORY

On November 8, 1988, a Hazardous Waste Permit Application (Application) was submitted to DTSC. After several years of administrative and technical review of the Application, DTSC put the draft Hazardous Waste Facility Permit (Permit), a Health Risk Assessment (HRA) and an Environmental Impact Report (EIR) out for public notice on July 7, 2006. DTSC received numerous comments on the draft Permit, HRA and EIR. Based on significant public inquiry and new regulations, significant upgrades were initiated at Exide under the joint oversight of the South Coast Air Quality Management District (SCAQMD) and DTSC.

On April 24, 2013, DTSC ordered Exide to suspend operations. DTSC issued the order after receiving reports regarding airborne emissions from Exide's operations and ongoing subsurface releases from degraded underground pipes. However, a Los Angeles Superior Court judge overruled DTSC in June 2013 and ordered the facility reopened until an administrative hearing could be completed. A Stipulation and Order (Order) was signed by Exide and DTSC. The Order resolved the administrative suspension order that DTSC issued against Exide in April 2013 and resolved a legal action that Exide filed against DTSC in June 2013. The Order set out conditions that Exide had to meet and timelines for completion. It required Exide to set aside \$7.7 million in a special fund for upgrading the storm water system, reducing arsenic emissions in the air, blood lead testing in the community and sampling dust and soil around the facility.

Exide completed the following under the Order:

- Replaced a deteriorating and leaking underground pipe system;
- Installed air pollution control devices to reduce arsenic emissions;
- Implemented blood lead level testing for nearby residents; and
- Dust and soil sampling around the facility.

DTSC issued a third Notice of Deficiency (NOD) on June 16, 2014. Exide has submitted a revised permit application in response to the third NOD, known as version 7B, on August 4, 2014, which is currently under review. Exide also submitted a revised closure cost estimate on August 18, 2014. DTSC is in discussion with Exide to ensure current financial mechanisms for closure and post closure costs remain adequate. Exide has been unable to submit certain tank assessments since the SCAQMD Order for Abatement stopped activities at the facility due to air emissions exceeding regulatory limits. Exide must submit plans to reduce air emissions for approval by the SCAQMD before work can resume.

On January 28, 2015, DTSC issued eight violations of state hazardous waste laws against Exide Technologies.

DTSC's eight violations are described in a Summary of Violations issued to Exide on January 28, 2015. The violation findings are the result of an inspection by a team of DTSC and U.S. Environmental Protection Agency inspectors on January 20 and 21, 2015, and oversight activities on December 12, 2014. The two-day evaluation of Exide's operations is part of DTSC's oversight of the Exide facility and its review of the company's application for a hazardous waste permit.

Among the most serious violations observed by DTSC inspectors, was treatment of contaminated sludge in tanks, Exide is not authorized to operate, at its Vernon facility. Inspectors also found evidence the company has failed to sufficiently protect against spills in an area where it stores materials including battery acid.

In addition to use of the unauthorized tanks and failure to sufficiently protect against spills, other alleged violations include:

- Improperly labeling and not closing containers holding hazardous waste;
- Lack of adequate secondary-containment system and engineer's certification for temporary tanks used to store waste; and
- Placing hazardous waste with liquids in a containment building without a functioning leak detection and collection system.

DTSC has directed Exide to protect public health by immediately stopping all violations. The company also is required to submit documentation that the violations have ceased. Exide Technologies faces potential penalties and the possibility of additional enforcement actions for these violations, and will face increased penalties if it fails to fully comply.

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